

LIQ13

Notice of final account prior to dissolution in MVL



Companies House

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08/11/2019

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COMPANIES HOUSE

1 Company details

Company number 01994660
Company name in full Lincoln Electric Welding UK Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Simon David
Surname Chandler

3 Liquidator's address

Building name/number C/O Mazars LLP
Street
Post town 45 Church Street
County/Region Birmingham
Postcode B3 2RT
Country

4 Liquidator's name ①

Full forename(s) Scott Christian
Surname Bevan

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number C/O Mazars LLP
Street
Post town 45 Church Street
County/Region Birmingham
Postcode B3 2RT
Country

② Other liquidator
Use this section to tell us about
another liquidator.

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04/17 Version 1.0

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Phillip Shaughnessy**

Company name **Mazars LLP**

Address **45 Church Street**
Birmingham

Post town **B3 2RT**

County/Region

Postcode

Country

DX

Telephone **0121 232 9500**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

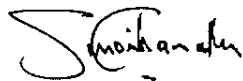


Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Notice of final account prior to dissolution

Name of Company Lincoln Electric Welding UK Limited	Company number 01994660
Notice is hereby given by	
Simon David Chandler Mazars LLP 45 Church Street Birmingham B3 2RT	Scott Christian Bevan Mazars LLP 45 Church Street Birmingham B3 2RT
Contact telephone number: 0121 232 9500	Contact telephone number: 0121 232 9500
<p>That:</p> <p>(a) The affairs of the above company are fully wound up.</p> <p>(b) Having delivered our final account to the members, we must within 14 days of the date on which the account is made up, deliver a copy of the account to the registrar of companies; and</p> <p>(c) We will vacate office under s171 of the Insolvency Act 1986 once we have delivered to the registrar of companies our final account. Our release will occur on the same day.</p>	
Signed	
	Joint Liquidator
Dated	7 November 2019
A copy of the final account is attached	

LINCOLN ELECTRIC WELDING UK LIMITED - IN LIQUIDATION

Final Account to Members

This is the Liquidators' final account to all known members covering the period 14 January 2019 to 7 November 2019.

1. Introduction

- 1.1. I was appointed Joint Liquidator of the company together with Mr S C Bevan at a meeting of members held on 14 January 2019.
- 1.2. We are both authorised to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1.3. Identification details relating to the Company and the Liquidators are attached at Appendix A.
- 1.4. The purpose of this report is to provide members with an account showing how the liquidation has been conducted, how assets have been disposed of and all progress made since my appointment.

2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the period since my appointment is attached at Appendix B. A comparison of the figures provided in the directors' declaration of solvency to actual realisations made in the liquidation is included.
- 2.2. An explanation of the assets realised and the expenses paid is provided below.

3. Asset realisations

- 3.1. Assets realised to date comprise:
- 3.2. **Cash at Bank - £1**
 - 3.2.1. The directors' declaration of solvency listed a cash at bank balance of £1. The amount of £1, representing the residual balance of the Company's bank account held with Citibank Europe plc, was transferred into the Company's liquidation bank account, by the Company's bankers on 9 October 2019.
- 3.3. **Cash due to Lincoln Electric (U.K.) Limited - £11,332.54**
 - 3.3.1. On 17 December 2018 the business and assets of the Company were transferred to an associated entity, Lincoln Electric (U.K.) Limited. Under the terms of the sale agreement, all receipts and other monies paid to the Company are required to be paid across to Lincoln Electric (U.K.) Limited.

3.3.2. The sum of £10,430.33 was received into the Company's bank account held with HSBC Bank plc after the Company had entered liquidation. In accordance with the sale agreement referenced at paragraph 3.3.1. these funds were duly paid across to Lincoln Electric (U.K.) Limited by the Joint Liquidators.

3.3.3. The sum of £902.21 was received into the Company's bank account held with Citibank Europe plc after the Company had entered liquidation. In accordance with the sale agreement referenced at paragraph 3.3.1. these funds were duly paid across to Lincoln Electric (U.K.) Limited by the Joint Liquidators.

3.3.4. These amounts were not anticipated and, as such, were not listed on the directors' declaration of solvency.

3.4. Funds on Account of Creditor Claim - £302,278.41

3.4.1. An unsecured creditor claim in the amount of £302,278.41 was received from HM Revenue & Customs during the course of the liquidation. As there were insufficient cash assets within the liquidation to settle this claim, a contribution was made from, the group entity, Lincoln Electric UK Limited.

3.4.2. This amount was not anticipated and, as such, was not listed on the directors' declaration of solvency.

3.5. Early Repayment Relief - £9,691.75

3.5.1. The Company was eligible to claim Early Repayment Relief, in the sum of £9,691.75, in respect of the Corporation Tax liability that was paid to HM Revenue & Customs. Statutory interest in the sum of £3,975.17, which was due to be paid to HM Revenue & Customs in respect of their unsecured creditor claim, was deducted from the refund. As such, an amount of £5,716.58 was received from HM Revenue & Customs on 12 August 2019, in respect of Early Repayment Relief.

3.5.2. In accordance with the sale agreement referenced at paragraph 3.3.1. the net funds of £5,716.58 were duly paid across to Lincoln Electric (U.K.) Limited by the Joint Liquidators.

3.5.2. This amount was not anticipated and, as such, was not listed on the directors' declaration of solvency.

4. Liabilities

4.1. Secured Creditors

4.1.1. There are no secured creditors.

4.2. Preferential Creditors

4.2.1. There are no preferential creditors.

4.3. Unsecured Creditors

4.3.1. The directors' declaration of solvency did not include any unsecured creditors however, as required by insolvency legislation, an advertisement for creditors to claim was published on 18 January 2019.

4.3.2. One unsecured creditor claim was received during the course of the liquidation, in the sum of £302,278.41.

4.3.3. A first and final creditor distribution of 100p in the £ totalling £302,278.41 was declared on 15 March 2019. This amount relates to a Corporation Tax liability due to HM Revenue & Customs for the period 1 January 2018 to 14 December 2018.

4.4. **Interest**

4.4.1. Statutory interest in the amount of £3,975.17, was due to HM Revenue & Customs in respect of the distribution declared on 15 March 2019. As detailed in paragraph 3.5.1. this amount was deducted from the Early Repayment Relief that was repaid to the Company by HM Revenue & Customs on 12 August 2019.

4.5. **Unclaimed Dividends**

4.5.1. There were no unclaimed dividends.

5. Distributions to members

5.1. **Cash distributions**

5.1.1. There has been one distribution to members in the liquidation, being the distribution of cash in the sum of £1 to the shareholder in accordance with their shareholding. The distribution which was made on 23 October 2019, equated to a return of £1 on each Ordinary £1 share held in the Company.

5.2. **Distribution in specie**

5.2.1. At the general meeting held on 14 January 2019, it was resolved that the Joint Liquidators be authorised to divide all or such part of the assets of the Company in specie amongst the members of the Company.

5.2.2. There were no assets to be distributed in specie to members in the liquidation.

6. Liquidators' Remuneration

6.1. A resolution was passed by the members enabling the Joint Liquidators to draw remuneration on the basis of a fixed fee in the sum of £5,000, plus VAT.

6.2. A further fixed fee of £2,000 plus VAT was agreed by the members on 10 April 2019 in respect of additional work carried out outside the scope of our engagement. Further details are provided in Appendix C.

6.3. An invoice in the amount of £7,000 plus VAT, was rendered to the engagement party, Lincoln Electric (U.K.) Limited, on 18 June 2019, in respect of the Liquidators' remuneration, in accordance with our engagement letter and the further approval provided by the members on 10 April 2019. The balance of our time will be written off.

- 6.4. Due to changes in Statement of Insolvency Practice 9, I am now required to provide you with additional, proportionate information regarding my costs, to include an explanation as to why certain tasks were carried out and whether the work carried out provided a financial benefit to creditors and members. Accordingly, please find attached at Appendix C a narrative summary of the work carried out during the current reporting period.

7. Liquidators' Disbursements

- 7.1. Disbursements are expenses paid by this firm in the first instance and subsequently recharged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 7.2. Category 2 disbursements require approval in the same manner as remuneration and members will recall that a resolution was passed on 14 January 2019 by the members in agreement of the anticipated Category 2 disbursements of the Liquidators.
- 7.3. Further details of the rates agreed are provided within the Liquidators' Rates and Disbursements policy which was provided to the members on 14 January 2019 and which is available upon request.
- 7.4. Details of disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below.

Type of Disbursement	Description	Amount incurred in period (£)
<u>Category 1</u>		
Specific Bond	It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered were likely to total £1.00 the bond paid to JLT Specialty Limited was £20.00.	20.00
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment, notice of the resolution to wind up and notice for creditors to submit claims.	253.80
Swear Fee	The sum of £14.00 was paid to The Wilkes Partnership to facilitate the costs of swearing the declaration of solvency before a solicitor.	14.00
Total Category 1		287.80
<u>Category 2</u>		
	None.	
Total Category 2		0.00
Total		287.80

- 7.5. An invoice in the amount of £287.80 plus VAT, was rendered to Lincoln Electric (U.K.) Limited, the Company's shareholder, on 18 June 2019, in respect of the Liquidators disbursements and in accordance with our engagement letter.

8. Expenses

- 8.1. Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at Appendix D, together with an explanation as to why the expenses have been incurred.
- 8.2. Details of expenses paid during the current period are shown in the receipts and payments account at Appendix B.
- 8.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

9. Members' Rights

- 9.1. Members were notified of their rights as follows in the draft version of this report which was delivered to members on 31 October 2019.

a. To request further information

Pursuant Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a member with concurrence of at least 5% of the total voting rights or a member with permission of the court, may, within 21 days of receipt of the draft final account, ask the liquidators for further information about the remuneration and expenses as set out in the draft final account.

b. To apply to Court

Pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a member with concurrence of at least 10% in value of the total voting rights or a member with the permission of the court may, within 8 weeks of the receipt of the draft final account, apply to the court on one or more of the following grounds:

- a. That the remuneration charged by the Liquidators, or
- b. That the basis fixed for the Liquidators' remuneration, or
- c. That the expenses incurred by the Liquidators,

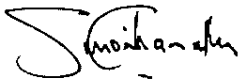
is in all of the circumstances, excessive or inappropriate.

- 9.2. Following delivery of the draft final account to the members every member has confirmed in writing that they do not intend to make any such requests or applications.

10. Next steps

- 10.1. Once my final account has been delivered to the members and the registrar of companies I will vacate office and will automatically be released under section 171(6) of the Insolvency Act 1986.

I trust that this is sufficient information for your requirements but please do not hesitate to contact me should you need anything further.



S D Chandler
Joint Liquidator

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

Lincoln Electric Welding UK Limited
In Liquidation

Identification Details

Details relating to the Company

Company name	Lincoln Electric Welding UK Limited
Previous names	Air Liquide Welding Limited, SAF Oerlikon UK Limited, SAF Welding Products Limited, Rapid 1009 Limited
Trading name	Lincoln Electric Welding UK Limited
Company number	01994660
Registered office	Unit 2 Low March Industrial Estate, Low March, Sheffield, S26 2BS
Trading address	Unit 2 Low March Industrial Estate, Low March, Sheffield, S26 2BS

Details relating to the Liquidators

Date of appointment	14 January 2019
Liquidators	S D Chandler and S C Bevan of Mazars LLP, 45 Church Street, Birmingham, B3 2RT IP No(s) 008822 and 009614
Liquidators' address	Mazars LLP, 45 Church Street, Birmingham, B3 2RT
Liquidators' contact telephone number	0121 232 9512

Lincoln Electric Welding UK Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 07/11/2019

Appendix B

Dec of Sol	£	£
ASSET REALISATIONS		
1.00 Cash at Bank	1.00	
Cash Due to Lincoln Electric UK Limited	11,332.54	
Funds on Account of Creditor Claim	302,278.41	
Early Repayment Relief	9,691.75	
		323,303.70
COST OF REALISATIONS		
Cash Due to Lincoln Electric UK Limited	17,034.12	
Bank Charges	15.00	
		(17,049.12)
UNSECURED CREDITORS		
HMRC re Corporation Tax	306,253.58	
		(306,253.58)
DISTRIBUTIONS		
(1.00) Ordinary Shareholders	1.00	
		(1.00)
		(0.00)
REPRESENTED BY		
		NIL

Lincoln Electric Welding UK Limited In Liquidation

NARRATIVE SUMMARY OF THE JOINT LIQUIDATORS' FIXED FEE FOR THE CURRENT REPORTING PERIOD

Introduction
<p>This summary provides details of the work carried out by the Joint Liquidators and their staff during the current period and includes an explanation as to why certain tasks were carried out and whether the work provided a financial benefit to creditors and members.</p>
Work carried out in the current period
<p><u>Pre-appointment</u></p> <p>In addition to the above, the following work was undertaken prior to the appointment of the Liquidators:</p> <ul style="list-style-type: none"> • Internal conflict check and client identification procedures; • Undertaking due diligence and analysis of accounts and company information; • Pre-liquidation planning, including discussions/meetings with the directors and shareholders regarding the liquidation strategy and processes; • Assisting with issues surrounding the capital reduction that was completed prior to the Liquidators' appointment; • Production of liquidation documents; • Assisting in the convening of meetings to place the company into members' voluntary liquidation; • Production of a second pack of meeting documents after the initial paperwork was completed incorrectly and the meetings were re-arranged; • Attendance at meetings to place the company into members' voluntary liquidation.
<p><u>Administration and planning</u></p> <ul style="list-style-type: none"> • Case acceptance and ethical reviews; • Completing case strategy notes and providing strategy updates to the client; • Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system; • Filing. <p>The majority of this work derived no financial benefit for members and creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. Strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.</p>

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Notifying HM Revenue & Customs (“HMRC”) of my appointment and establishing whether they have any outstanding claims or ongoing investigations;
- Reviewing the Company’s VAT position; deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations;
- Preparing post Liquidation VAT returns, as required by statute;
- Liaising with HMRC in respect of the Early Repayment Relief claim;
- Chasing Tax clearances.

The majority of this work derived no financial benefit for members and creditors, however, it is required in accordance with tax legislation.

Realisation of Assets

The following activities were undertaken in order to realise the Company’s assets:

- Liaising with Squire Patton Boggs in respect of finalising the formalities of the property transfer and collating the documentation required by HM Land Registry;
- Completing a TR1 form in order to finalise the transfer of the lease;
- Liaising with the Company’s bank in order to arrange for the bank accounts to be closed and for the residual balances to be transferred into the Company’s liquidation bank account;
- Issuing a formal complaint to Citibank Europe plc in respect of difficulties encountered in getting the account closed and funds transferred.

This worked provides a financial benefit to members through ensuring that the appropriate funds are available to be distributed to members.

Employees

The following activities were undertaken in order to ensure the Company is compliant with pensions regulations:

- Liaising with the Company’s parent in respect of outstanding PAYE returns.

The majority of this work derived no financial benefit for members, however, it is required to ensure that the case has been administered in accordance with regulatory requirements.

Creditors

There was one unsecured creditor claim. Further information regarding unsecured creditor claims is included within Section 4 of the report. As this is a solvent liquidation any creditor claims are paid in full, together with statutory interest.

In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Responding to any queries which arise;
- Logging creditor claims;
- Collating information from the Company records to assist with claim adjudication work.

Work undertaken in dealing with creditor claims has a financial benefit for creditors in enabling the correct adjudication of claims for the payment of a dividend.

Distributions

Distributions have been paid to unsecured creditors and members in the current period.

Work undertaken in respect of creditor distributions include:

- Adjudication of creditor claims, requesting further information where necessary or dealing with rejected claims;
- Preparing dividend calculations;
- Processing and payment of distributions.

The distributions made to the members in the current period are detailed in Section 5 of the report.

The work involved in agreeing and paying distributions provides a financial benefit through ensuring that the appropriate funds are distributed to creditors and members.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Reporting the outcome of any meetings.

The majority of this work derived no financial benefit for members and creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements. It also provides members with an update in respect of the liquidation.

Cashiering

Cashiering work undertaken includes:

- Establishing set up of case details on our insolvency software system.
- Setting up bank accounts, including deposit accounts as necessary.
- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for members and creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

The work undertaken as required by statute and our internal procedures involves:

- Preparation and lodgement of statutory appointment documents.
- Initial notices and advertisements following appointment.
- Case monitoring and statutory compliance, including internal case reviews.
- Case bordereau.

The majority of this work derived no financial benefit for members and creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

**Lincoln Electric Welding UK Limited
In Liquidation**

EXPENSE STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	Amount incurred in current period (£)
Professional advisors' costs The officeholder's choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.		
None.		
Other Expenses		
Cash Due to Lincoln Electric (U.K.) Limited	Further to the transfer of the business and assets of the Company, funds that were due to Lincoln Electric (U.K.) Limited were received into the Company's bank accounts. These were paid across to Lincoln Electric (U.K.) Limited accordingly.	17,034.12
Bank Charges	Bank charges of £15 were incurred in connection with the transfer of funds, in respect of the capital distribution to the French-registered shareholder, Lincoln Electric France S.A.S.	15.00
Total Expenses		17,049.12